



Office of the Speaker
North Carolina House of Representatives
Raleigh, North Carolina 27601-1096

THOM TILLIS
SPEAKER

September 12, 2011

As you prepare your agenda for the Legislative Research Commission (the "Commission"), pursuant to G.S. 120-30.17, I hereby authorize the Commission to appoint subcommittees to study the following matters during the interim. House appointees to each study committee are also identified. Please restrict each study committee to a maximum of four meetings unless additional meetings are pre-approved by my office.

Studies Approved in Conjunction with the Senate:

Property Insurance Rate Making – Study the adequacy of citizen input in property insurance rate making and the manner in which property insurance rates are proposed, reviewed, approved, and appealed. Specifically, the subcommittee may study the following:

- (1) The feasibility and advisability of replacing the North Carolina Rate Bureau with a market based rate setting system or with a regulatory commission similar to the North Carolina Utilities Commission.
- (2) The adequacy under current law of legislative oversight of the Rate Bureau, the North Carolina Joint Underwriting Association, and the North Carolina Insurance Underwriting Association.
- (3) The adequacy under current law of Commissioner of Insurance duties pertaining to protection of policyholders and the public against the adverse effects of excessive, inadequate, or unfairly discriminatory rates.
- (4) Whether North Carolina citizens and policyholders should be given a voice in rate appeals under G.S. 58-2-80 through creation of a board or office independent of the Commissioner with standing to advocate on behalf of citizens and policyholders.
- (4) The adequacy of the review process afforded by G.S. 58-36-1(2) to persons affected by a rate or loss costs made by the Rate Bureau.
- (5) Whether information provided to the public by the Commissioner and the Rate Bureau is adequate to allow
- (6) reasoned review by interested citizens of the assumptions, modeling, and processes used in setting rates.

Chair: Dockham (Brown)

Members: McElraft, Iler, Wray, Jordan (Apodaca, Meredith, Hise, White)

I will look forward to reviewing the Commission's report regarding the study results, as well as any recommended legislation, prior to convening of the 2012 short session. Please let me know if my staff or I may be of assistance.

Thank you for your service.

Best regards,

A handwritten signature in black ink that reads "Thom Tillis".
Thom Tillis